

NATIVE AMERICAN JOURNALISTS ASSOCIATION

FINANCIAL STATEMENTS

September 30, 2023

(With Comparative Totals as of September 30, 2022)

NATIVE AMERICAN JOURNALISTS ASSOCIATION

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(With Comparative Totals as of September 30, 2022)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Native American Journalists Association
Petaluma, California

Opinion

We have audited the accompanying financial statements of Native American Journalists Association, a nonprofit organization, ("Organization"), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Native American Journalists Association as of September 30, 2023, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Native American Journalists Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Native American Journalists Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Native American Journalists Association's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Native American Journalists Association's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited the financial statements of Native American Journalists Association as of and for the year ended September 30, 2022, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 15, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Walnut Creek, California
February 28, 2024

Jing & Company, an Accountancy Corp.
Certified Public Accountants

NATIVE AMERICAN JOURNALISTS ASSOCIATION
STATEMENT OF FINANCIAL POSITION
September 30, 2023
(With Comparative Total as of September 30, 2022)

| | ASSETS | <u>2023</u> | <u>2022</u> |
|---------------------------------------|--------|-----------------------|----------------------------|
| Assets: | | | |
| Cash and Cash Equivalents | \$ | 383,081 | \$ 667,961 |
| Accounts Receivable | | 258,098 | 361,209 |
| Investments | | <u>137,585</u> | <u>130,838</u> |
| Total Assets | \$ | <u><u>778,764</u></u> | <u><u>\$ 1,160,008</u></u> |
| LIABILITIES AND NET ASSETS | | | |
| Liabilities: | | | |
| Accounts Payable and Accrued Expenses | \$ | <u>57,460</u> | <u>\$ 55,303</u> |
| Total Liabilities | | 57,460 | 55,303 |
| Net Assets: | | | |
| Without Donor Restrictions | | 244,086 | 617,655 |
| With Donor Restrictions | | <u>477,218</u> | <u>487,050</u> |
| Total Net Assets | | <u><u>721,304</u></u> | <u><u>1,104,705</u></u> |
| Total Liabilities and Net Assets | \$ | <u><u>778,764</u></u> | <u><u>\$ 1,160,008</u></u> |

See Notes to Financial Statements

NATIVE AMERICAN JOURNALISTS ASSOCIATION
STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
Year Ended September 30, 2023
(With Comparative Totals for the Year Ended September 30, 2022)

| | 2023 | | | 2022 |
|--|----------------------------------|----------------------------|------------|--------------|
| | Without Donor Restrictions | With Donor Restrictions | Total | Total |
| Revenue and Support | | | | |
| Exhibitors Fees | \$ 14,700 | \$ - | \$ 14,700 | \$ 9,700 |
| Registration Fees | 62,448 | - | 62,448 | 71,475 |
| Sponsorship Fees | 250,619 | - | 250,619 | 358,353 |
| Donation | 12,632 | - | 12,632 | 73,352 |
| Grants Income | 50,000 | 650,250 | 700,250 | 935,520 |
| Investment Income | | | | |
| Interest Earned | 23,996 | - | 23,996 | 1,212 |
| Unrealized (Loss) Gain on Investments | 13,989 | - | 13,989 | (20,828) |
| Job Posting Income | 32,175 | - | 32,175 | 57,861 |
| Media Awards Entry Fee | 21,504 | - | 21,504 | 19,680 |
| Membership Dues | | | | |
| Academic | 6,675 | - | 6,675 | 3,000 |
| Corporate | 3,020 | - | 3,020 | 2,800 |
| Individual | 29,815 | - | 29,815 | 12,375 |
| Student | 1,170 | - | 1,170 | 1,060 |
| Sustaining Institutional | 3,000 | - | 3,000 | 6,000 |
| Tribal Media | 4,750 | - | 4,750 | 2,385 |
| Total Membership Dues | 48,430 | - | 48,430 | 27,620 |
| Miscellaneous Income | 7,452 | - | 7,452 | 3,852 |
| NAJA Store Income | 1,487 | - | 1,487 | 2,253 |
| Silent Auction | 3,712 | - | 3,712 | - |
| Total Revenues and Support | 543,144 | 650,250 | 1,193,394 | 1,540,050 |
| Net Assets Released From Restrictions, Satisfaction of Purpose Restrictions | 660,082 | (660,082) | - | - |
| Expenses | | | | |
| Program Services | 1,460,313 | - | 1,460,313 | 1,118,131 |
| Management Expenses | 83,911 | - | 83,911 | 66,691 |
| Fundraising Expenses | 32,571 | - | 32,571 | 57,282 |
| Total Expenses | 1,576,795 | - | 1,576,795 | 1,242,104 |
| Change in Net Assets | (373,569) | (9,832) | (383,401) | 297,946 |
| Net Assets - Beginning of Year | 617,655 | 487,050 | 1,104,705 | 806,759 |
| Net Assets - End of Year | \$ 244,086 | \$ 477,218 | \$ 721,304 | \$ 1,104,705 |

See Notes to Financial Statements

NATIVE AMERICAN JOURNALISTS ASSOCIATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2023
(With Comparative Totals for the Year Ended September 30, 2022)

| | Facebook & Benevity Scholarship | Democracy Fund and Training | Democracy Fund III | Google NAHM | MacArthur Fdn | Ford Fdn III | Membership | NAJF | Red Press Initiative | Conference | Other Initiatives | Total Program | Admin and Management | Fund Raising | 2023 Total | 2022 Total |
|------------------------------|---------------------------------------|-----------------------------------|-----------------------|----------------|------------------|--------------|------------|---------|-------------------------|------------|----------------------|------------------|-------------------------|-----------------|------------|------------|
| Payroll Expense | | | | | | | | | | | | | | | | |
| Salaries and Wages | 550 | 84,062 | 26,038 | - | 45,300 | 54,000 | 23,600 | 21,500 | 14,550 | 35,500 | 7,350 | 312,450 | 14,950 | 27,600 | 355,000 | 294,174 |
| 401K Expense | 11 | 2,275 | 593 | - | 1,020 | 1,523 | 692 | 507 | 391 | 940 | 153 | 8,105 | 402 | 875 | 9,382 | 5,404 |
| Health Insurance | - | - | - | - | - | 4,639 | - | 2,793 | - | - | - | 7,432 | 6,174 | - | 13,606 | 23,776 |
| Payroll Taxes | 45 | 6,659 | 1,992 | - | 3,680 | 4,253 | 1,823 | 1,584 | 1,139 | 2,790 | 589 | 24,554 | 1,188 | 2,172 | 27,914 | 23,188 |
| Total Payroll Expense | 606 | 92,996 | 28,623 | - | 50,000 | 64,415 | 26,115 | 26,384 | 16,080 | 39,230 | 8,092 | 352,541 | 22,714 | 30,647 | 405,902 | 346,542 |
| Administration | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 35,000 |
| Advertising | - | - | - | - | - | 131 | 389 | - | - | - | - | 520 | - | - | 520 | 50 |
| Awards | - | - | - | - | - | - | - | - | - | 18,010 | - | 18,010 | - | - | 18,010 | 10,118 |
| Bank Charges | - | - | - | - | - | 542 | - | - | - | 469 | - | 1,011 | 3,629 | - | 4,640 | 2,692 |
| Board of Directors | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Conference Hotel | - | - | - | - | - | - | - | 25,000 | - | 25,796 | - | 50,796 | - | - | 50,796 | 14,079 |
| Credit Card Processing Fee | - | - | - | - | - | 95 | 3,939 | - | 58 | 2,470 | - | 6,562 | 174 | 27 | 6,763 | 5,003 |
| Decorations and Design | - | - | - | - | - | - | - | - | - | 1,228 | - | 1,228 | - | - | 1,228 | 9,000 |
| Dues & Subscription | - | - | 134 | - | - | 3,561 | 9,440 | 1,575 | - | 375 | 304 | 15,389 | 7,242 | - | 22,631 | 38,853 |
| Equipment Rental | - | - | - | - | - | - | - | 20,000 | - | 102,703 | - | 122,703 | - | - | 122,703 | 91,968 |
| Honorarium | - | - | - | - | - | - | - | - | - | 9,451 | - | 9,451 | - | - | 9,451 | 6,238 |
| Insurance Expense | - | - | - | - | - | 332 | - | 2,352 | - | - | - | 2,684 | 4,483 | - | 7,167 | 4,487 |
| Interest Exp & Exchange Fees | - | - | - | - | - | 1,901 | - | - | - | 1,870 | - | 3,771 | 754 | - | 4,525 | - |
| Meals & Entertainment | - | - | 169 | - | - | 7,041 | 319 | - | - | 27,109 | 1,800 | 36,438 | - | - | 36,438 | 79,264 |
| Payroll Processing | - | - | - | - | - | - | - | - | - | - | - | - | 5,061 | - | 5,061 | 4,730 |
| Postage | - | - | 46 | - | - | 288 | - | - | - | 676 | - | 1,010 | 50 | - | 1,060 | 3,735 |
| Printing & Copying | - | - | 250 | - | - | - | 266 | - | - | 3,712 | - | 4,228 | - | - | 4,228 | 3,230 |
| Professional Fees | - | 17,500 | 10,000 | 5,000 | - | 20,470 | - | 28,200 | 29,968 | 103,914 | 150,009 | 365,061 | 30,460 | - | 395,521 | 424,212 |
| Scholarships | 15,000 | - | - | - | - | - | - | 3,100 | - | - | - | 18,100 | - | - | 18,100 | 55,000 |
| Speaker Presentation | - | - | - | - | - | - | - | - | - | 8,614 | - | 8,614 | - | - | 8,614 | 5,000 |
| Supplies | - | - | 12 | - | - | 4,555 | 357 | 1,754 | - | 19,926 | - | 26,604 | 995 | - | 27,599 | 10,234 |
| Telephone | - | - | - | - | - | 475 | - | - | - | - | - | 475 | 7,058 | - | 7,533 | 7,166 |
| Administration | - | 10,000 | - | - | - | - | - | - | - | - | 10,000 | 20,000 | - | - | 20,000 | - |
| Travel | 1,287 | 72,102 | 17,294 | - | - | 29,681 | 790 | 31,683 | 31,161 | 70,278 | 96,363 | 350,639 | 1,291 | 1,897 | 353,827 | 85,503 |
| Website | - | - | - | - | - | - | 44,240 | - | - | - | 238 | 44,478 | - | - | 44,478 | - |
| Total 2022 Expenses | 16,893 | 192,598 | 56,528 | 5,000 | 50,000 | 133,487 | 85,855 | 140,048 | 77,267 | 435,831 | 266,806 | 1,460,313 | 83,911 | 32,571 | 1,576,795 | 1,242,104 |

See Notes to Financial Statements

NATIVE AMERICAN JOURNALISTS ASSOCIATION
STATEMENT OF CASH FLOWS
Year Ended September 30, 2023
(With Comparative Totals for the Year Ended September 30, 2022)

| | <u>2023</u> | <u>2022</u> |
|---|-------------------|-------------------|
| Cash Flows From Operating Activities: | | |
| Change in Net Assets | \$ (383,401) | \$ 297,946 |
| Adjustments to Reconcile Change in Net Assets to | | |
| Net Cash Provided (Used) by Operating Activities | | |
| Unrealized Loss (Gain) on Investment | (13,989) | 20,828 |
| PPP Loan Forgiveness | - | (31,770) |
| Changes in Operating Assets and Liabilities | | |
| Accounts Receivable | 103,111 | (343,689) |
| Prepaid Expenses | - | 24,905 |
| Accounts Payable and Accrued Expenses | <u>2,157</u> | <u>20,087</u> |
| Net Cash (Used in) Provided by Operating Activities | (292,122) | (11,693) |
| Cash Flows From Investing Activities: | | |
| Decrease in Investment | <u>7,242</u> | <u>6,998</u> |
| Net Cash Provided by Investing Activities | 7,242 | 6,998 |
| Cash Flows From Financing Activities: | <u>-</u> | <u>-</u> |
| Net Decrease in Cash and Cash Equivalents | (284,880) | (4,695) |
| Cash and Cash Equivalents - Beginning of Year | <u>667,961</u> | <u>672,656</u> |
| Cash and Cash Equivalents - End of Year | <u>\$ 383,081</u> | <u>\$ 667,961</u> |
| Supplementary Disclosure of Non-cash Activities | | |
| Forgiveness of PPP Loan and Interest | <u>\$ -</u> | <u>\$ 31,770</u> |

See Notes to Financial Statements

NATIVE AMERICAN JOURNALISTS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2023

NOTE 1 - ORGANIZATION AND DESCRIPTION OF BUSINESS

Organization

The Native American Press Association, (the “Organization”, “NAJA”), is a 501(c)(3) not-for-profit association that serves and empowers Native journalists through the programs and actions designed to enrich journalism and promote Native cultures.

NAJA recognizes Native Americans as distinct peoples based on tradition and culture. In this spirit, NAJA educates and unifies its membership through journalism programs that promote diversity and defend challenges to free press, speech, and expression. NAJA is committed to increasing the representation of Native journalists in mainstream, media. NAJA encourages both mainstream and tribal media to attain the highest standards of professionalism, ethics, and responsibility.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Organization’s financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) “Audit and Accounting Guide for Not-for-Profit Organizations” (the “Guide”). ASC 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based upon the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are not subject to donor-imposed stipulations. These generally result from revenue generated by receiving unrestricted contributions, providing services, and receiving interest from investments less expenses incurred in providing program-related services, raising contributions, and performing administrative functions. The Organization’s board may designate assets without restrictions for specific operational purposes from time to time. Board designated restrictions are considered as net assets without donor restrictions.

Net assets with donor restrictions are subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, net assets with donor restrictions are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

NATIVE AMERICAN JOURNALISTS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Comparative Data

The amounts shown for the year ended September 30, 2022 in the accompanying financial statements are included to provide a basis for comparison with 2023 and present summarized totals only. Accordingly, the 2023 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States of America. Such information should be read in conjunction with the Organization's financial statements for the year ended September 30, 2022, from which the summarized information was derived.

Use of Estimates

This basis of accounting requires the use of estimates and assumptions that affect the assets, liabilities, revenues, and expenses reported in the financial statements, as well as amounts included in the notes thereto, including discussion and disclosure of contingent liabilities. Although the Organization uses its best estimates and judgments, actual results could differ from these estimates as future confirming events occur.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less, including cash on demand deposit accounts and certificate of deposits, to be cash equivalents.

Accounts Receivable

Accounts receivable represent grants, pledges and other amounts due within one year and are stated at estimated net realizable value. The Organization uses the direct write-off method for bad debts, charging them to expense as they are determined to be uncollectable. All amounts for the year ended September 30, 2023 are considered by management to be collectable within one year.

Investments

The Organization's portfolio is managed by outside investment managers who invest according to the investment guidelines established by the Board. Investments are stated at market value in the case of marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Gains, losses, and investment income restricted by a donor are reported as increases to net assets without donor the restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the gains and losses are recognized.

NATIVE AMERICAN JOURNALISTS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Board Designated Net Assets

It is the policy of the Board of Directors (the “Board”) of the Organization to review future unbudgeted and unexpected expenses from time to time and to designate appropriate sums to assure adequate financing of such expenses. As of September 30, 2023, there were no board-designated operating reserves.

Contributed Services

Under FASB ASC 958, contributed services are recorded only if they (1) create or enhance nonfinancial assets, or (2) require specialized skills, are provided by individual possessing those skills, and typically would need to be purchased if not provided by donation. During the year ended September 30, 2023 the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Revenue and Support Recognition

Revenues, expenses, gains, and losses are classified based upon the existence or absence of donor-imposed preferences. The Organization receives various contributions, including unconditional promises to give, which are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Support that is restricted is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions of donated non-cash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance non-financial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received.

Donated Material and Services

Donated material and services are recorded as contributions when received, at fair market value, if significant and measurable.

NATIVE AMERICAN JOURNALISTS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Functional Expenses

The cost of providing the Organization's various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Joint expenses such as insurance, depreciation, and professional services are allocated between the program and supporting services to which they relate. The expenses are allocated based upon estimated use.

Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair values of its assets and liabilities based on a fair value hierarchy established under applicable accounting guidance which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are 3 levels of inputs that may be used to measure fair value. The 3 levels are defined as follows:

Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.

Level 2: inputs are those other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Level 3: inputs are unobservable inputs for the asset or liability. Unobservable inputs reflect the Organization's own financial model using assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The assets or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The Organization's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect their placement within the hierarchy levels.

Income Taxes

The Organization has been granted tax exempt status by the Internal Revenue Service under sections 501(c)(3) and section 290.05 of Minnesota Statute.

NATIVE AMERICAN JOURNALISTS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

The Organization has evaluated its current tax positions and has concluded that as of September 30, 2023, it does not have any significant uncertain tax positions for which a reserve would be necessary.

The Organization's income tax returns are subject to review and examination by federal, state, and local governmental authorities. As of September 30, 2023, there are 3 years open to examination by the Internal Revenue Service and various years for state and local governmental authorities. To the extent penalties and interest are incurred through the examinations, they would be included in the expenses of the accompanying statement of activities and change in net assets.

Advertising

The Organization uses advertising to communicate information about services available to the populations needing those services. The production costs of advertising are expenses as they are incurred.

New Accounting Pronouncement Adopted

Presentation and Disclosures for Contributed Nonfinancial Assets – In September 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets, which amends ASC 958-605 to require non-for-profit entities to (1) present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash and other financial assets, and (2) disclose contributed nonfinancial assets. ASU 2020-07 is effective for fiscal year beginning after September 15, 2022, with early adoption permitted. The management has adopted the new guidance. For the year ended September 30, 2023, there were no contributed nonfinancial assets.

Leases - In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) which was updated by FASB ASU 2018-10, Codification Improvements to Leases, and FASB ASU 2018-11, Targeted Improvements. The new lease standard requires lessees to recognize virtually all leases as right-of-use assets and lease liabilities on the balance sheet, as well as disclose key information regarding leasing arrangements. The new lease standard also requires the separation of the lease agreement from other contract components, such as maintenance services. The effective date of this guidance was deferred and is effective for annual periods beginning after December 15, 2022. This Organization currently does not have long term lease. Management has adopted the new guidance. For the year ended September 30, 2023, the Organization did not have long term leases.

NATIVE AMERICAN JOURNALISTS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2023

NOTE 3 - CASH CONCENTRATION

The Organization maintains funds in a financial institution that is a member of the Federal Deposit Insurance Corporation. As such, funds are insured based on Federal Reserve limits. At times, cash balances exceed insured amounts. The Organization has not experienced any losses in the past, and management believes it is not exposed to any significant credit risk on the current account balances. Management has not and does not expect to experience any losses on such accounts.

NOTE 4 - INVESTMENTS

The Organization's investments at September 30, 2023 are stated at fair value and consist of publicly traded securities held in a pool with the Minneapolis Foundation. "Fair Value" is defined as the price that an organization would receive upon selling in an advantageous market for the investment. Various inputs are used in determining the value of the Organization's investments. All of the Organization's investments are measured at fair value on a recurring basis.

Fair values and unrealized appreciation are summarized as follows as of and for the years ended September 30, 2023:

| | |
|--|--------------------------|
| Fair Market Value at the Beginning of Year | \$ 130,838 |
| Interest and Dividend Income | - |
| Net Unrealized Gain | 13,989 |
| Distributions | (5,793) |
| Investment Fees and Expenses | <u>(1,449)</u> |
| Fair Market Value at the End of Year | \$ <u><u>137,585</u></u> |

NOTE 5 - FAIR VALUE MEASUREMENTS

The Organization's financial assets and liabilities were accounted for at fair value on a recurring basis as of September 30, 2023.

Due to their short-term nature, the carrying values of cash, accounts receivable, prepaid expenses, accounts payable and accrued expenses, other current liabilities approximate their fair values as of September 30, 2023. There were no other non-recurring assets or liabilities that are recorded at fair value as of September 30, 2023.

NATIVE AMERICAN JOURNALISTS ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
Year Ended September 30, 2023

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

The Organization's net assets with donor restrictions consisted of the following for the year ended September 30, 2023:

| | |
|--|------------------------------|
| Benevity Fund | \$ 30,671 |
| Democracy Fund III | 43,472 |
| Endowment | 22,600 |
| Democracy Fund Training | 57,402 |
| Ford Foundation Grant | 73,073 |
| Moore Impact | 50,000 |
| Mac Arthur Foundation | <u>200,000</u> |
| Total Net Assets with Donor Restrictions | \$ <u><u>477,218</u></u> |

NOTE 7 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of donor imposed restrictions within one year of the balance sheet date.

| | |
|--|-------------------|
| Financial Assets at Year End | \$ 778,764 |
| Less: unavailable for general expenditures within one year due to Contractual or Donor Restrictions | <u>(477,218)</u> |
| Financial Assets Available to Meet Cash Needs for General Expenditures within one year | <u>\$ 301,546</u> |

NOTE 8 - RETIREMENT PLAN

The Organization has established a 401(k) retirement plan in which all employees are eligible for salary deferrals. The Organization provides a matching contribution of 100% (not to exceed 3% of total compensation) for employees who are at least 21 years of age, have worked for the Organization for more than one year, and who worked a minimum of 1,000 hours per year. Matching contributions begin to vest after two years and are 100% vested after six years. For the year ended September 30, 2023, the Organization matching expenses were \$9,382.

NOTE - SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through February 28, 2024, the date the financial statements were available to be issued. There were no subsequent events to report.